

CITY COUNCIL PROCEEDINGS

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MINUTES OF THE MEETING OF THE CITY COUNCIL

Wichita, Kansas, July 22, 2003
Tuesday, 9:03 A.M.

The City Council met in regular session with Mayor Mayans in the Chair. Council Members Brewer, Fearey, Gray, Lambke, Martz, Schlapp present.

Chris Cherches, City Manager; Gary Rebenstorf, Director of Law; Pat Graves, City Clerk; present.

The Minutes of the regular meeting of July 15, 2003, were approved 7 to 0.

NEW BUSINESS

BUDGET

2004 ANNUAL OPERATING BUDGET AND 2005 BUDGET REVISIONS

Ray Trail

Director of Finance reviewed the Item.

Agenda Report No. 03-0786.

The City Council has received the City Manager's Proposed 2004/2005 Budget (including tax increment financing districts). The Council is receiving public comment at its weekly Council meetings.

The proposed 2004 annual operating budget is \$370,113,080. Inter-fund transactions and appropriated reserves increase this amount to \$490,943,846. The inclusion of expendable trust funds, as required by law, is an additional \$55,342,105 for a total of \$546,285,951. The estimated mill levy for this budget would be 31.845 mills, no change from the levy for the current 2003 adopted budget.

The General Fund property tax levy is \$53,815,140 (including a delinquency allowance) at an estimated 21.845 mills. The levy for the Debt Service Fund is \$24,634,990 (including a delinquency allowance) and is estimated at 10.000 mills.

The Self-Supporting Municipal Improvement District (SSMID) Fund was included in the proposed budget assuming a 3% increase in assessed valuation, which resulted in a revenue assumptions of \$510,000. Information since provided reveals valuation growth of nearly 10%. If the SSMID mill levy remains constant (5.844 mills), new valuation projections would result in \$534,690 revenue net of delinquency in fiscal year 2004 (2003 taxes levied). The proposed budget ordinance for the SSMID assumes a constant mill levy rate. Factoring revenue from prior year delinquencies would add an additional \$30,310 for a total of \$565,000. The proposed budget would also assume an additional \$55,000 available for the contract with Wichita Downtown Development Corporation (for a total expenditure budget of \$565,000).

The dollar amounts, after they are set in the published notice of hearings on the proposed budget, cannot be exceeded, although the City Council may determine subsequently to reduce the mill rate. Formal hearing and adoption of the budget is scheduled for August 12th. If subsequent actions result in an increase to the budget, a process of republication, hearings and certification will be required.

In addition to action on the 2004 Budget, it is requested that action be taken to amend the 2003 adopted budget – as contained in the proposed budget submitted to the City Council:

1. The Economic Development Fund increase of \$1,961,050 is due primarily to economic development items approved by the City Council subsequent to approval of the budget in August of

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2002. Items include the Sports Hall of Fame (\$140,000), supplemental air subsidy to Frontier Airlines (\$500,000), and the Kansas Technical Training Institute (\$200,000). Additionally, an adjustment in the timing of the Frontier airline subsidy will require an unplanned 2003 payment of \$900,000.

2. The Sewer Utility Fund is absorbing a bad debt allowance (\$311,200), made feasible by the full implementation of the new water billing system, and including an increased amount of debt service expense (\$1,517,000), which was the result of financing strategies employed to decrease the projected 2004 rate increase from 8% to 3%. These changes were determined after the 2003 budget had already been adopted. The Fund is increasing only \$697,180 because operating budget reductions have offset the required increases.

3. The Fleet Fund is increased \$4,380,870 primarily to accommodate the unused capital replacement component carried over from the prior year. The increase also provides for a reorganization of Park small equipment maintenance, transferring several employees and related expenses into this internal service fund (out of the General Fund).

Publication of the notice of formal hearing will set the maximum dollars that may be expended in each fund. The City Council may subsequently reduce expenditures required (and proposed tax dollars to be levied) but not increase them.

As required by law, the proposed budget will be published with appropriated balances. State statutes require formal public hearings prior to approval of the annual operating budget and for budget amendments of published funds. The 2004 Budget must be adopted by the City Council on August 12, and will be filed with the County Clerk by the statutory date of August 25.

Mayor Mayans

Mayor Mayans inquired whether anyone wished to be heard.

Allison Hamm

Urged the City Council not to eliminate the position of a naturalist at the Great Plains Nature Center. Ms. Hamm and her family enjoy the free classes that are offered at the nature center. There are several schools that attend the nature center for different events and they are currently booked until Christmas. The current budget proposal would eliminate a position at the nature center. Ms. Hamm asked that the City Council restore the funding for this position.

Harold Schlectweg

Service Employee Union representative, recommends that the city: a. investigate how other cities the size of Wichita are maintaining their general fund; b. set up standards for bond offerings and what do analyst expect; and c. consider alternatives before making cuts that effect city employees.

Motion --

Mayans moved that the public hearing on the proposed 2004 Budget (including the Tax Increment Financing Districts and the Self-Supporting Municipal Improvement District downtown) and the revised 2003 Budget for August 12, 2003 be closed; and first reading of the budget, TIF district, and SSMID ordinances be approved. Motion carried 7 to 0.

-- carried

ORDINANCE

An Ordinance making and fixing general tax levy for the city of Wichita, Kansas, for the year beginning January 1, 2004, and ending December 31, 2004, and relating thereto, and concurrently approving certain amendments to the 2003 adopted budget, introduced and under the rules laid over.

ORDINANCE

An Ordinance making and filing an increment in ad valorem taxes for the Gilbert and Mosley site Redevelopment District, city of Wichita, Kansas, for the fiscal year beginning January 1, 2004, and ending December 31, 2004, introduced and under the rules laid over.

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ORDINANCE

An Ordinance making and filing an increment in ad valorem taxes for the North Industrial Corridor Redevelopment District, city of Wichita, Kansas, for the fiscal year beginning January 1, 2004, and ending December 31, 2004, introduced and under the rules laid over.

ORDINANCE

An Ordinance making and fixing general tax levy for the Downtown Wichita Self-Supported Municipal Improvement District for the year beginning January 1, 2004, and ending December 31, 2004, introduced and under the rules laid over.

PLANNING AGENDA

NOTICE: Public hearing on planning items is conducted by the MAPC under provisions of State law. Adopted policy is that additional hearing on zoning applications will not be conducted by the City Council unless a statement alleging (1) unfair hearing before the MAPC, or (2) alleging new facts or evidence has been filed with the City Clerk by 5p.m. on the Wednesday preceding this meeting. The Council will determine from the written statement whether to return the matter to the MAPC for rehearing.

SUB2001-05

SUB2001-05 - PLAT OF ECK SEVENTH ADDITION - SOUTH SIDE OF CENTRAL, EAST OF 183RD STREET WEST.

Agenda Report No. 03-0787.

John Shlegel

Director of Planning reviewed the item.

This unplatted property, consisting of 14 lots (78.3 acres), is located in the County within three miles of the City of Wichita and is zoned "RR" Rural Residential District.

A Petition, 100%, has been submitted for water main improvements. A Certificate of Petition has been provided. A Joint Access Easement was submitted to allow one joint access opening along Central, between Lots 1 and 2. The guarantee for the installation of the proposed streets to the 36-foot rock suburban street standard, will be handled by the County.

This plat has been reviewed and approved by the Planning Commission, subject to conditions and recording within thirty (30) days.

The Certificate of Petition and Joint Access Easement will be recorded with the Register of Deeds.

Motion --
--carried

Mayans moved that the documents and Plat be approved; the necessary signatures be authorized; and the Resolution be adopted. Motion carried 7 to 0.

RESOLUTION NO. 03-395

Resolution of findings of advisability and Resolution authorizing construction of Water Distribution System Number 448-89854 (south of Central, east of 183rd Street West) in the City of Wichita, Kansas, pursuant to findings of advisability made by the Governing Body of the City of Wichita, Kansas, presented. Mayans moved that the Resolution be adopted. Motion carried 7 to 0. Yeas: Brewer, Fearey, Gray, Lambke, Martz, Schlapp, Mayans.

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ADJOURNMENT

The City Council adjourned at 9:23 AM

Pat Graves CMC
City Clerk

BUDGET WORKSHOP AT FRIENDS UNIVERSITY FOLLOWING COUNCIL MEETING.